

**TESTIMONY IN SUPPORT OF TSEP \$500,000 GRANT FOR THE  
UPPPER AND LOWER RIVER ROAD WATER AND SEWER DISTRICT  
GREAT FALLS, MONTANA  
JANUARY 13, 2009**

My name is John Stephenson-Love. I am from Great Falls. I am president of the Upper and Lower River Road Water and Sewer District. I am one of 5 board members who serves without pay. We have requested a \$500,000 TSEP grant to help fund the third phase of our water and sewer projects.

Our district is located on the south edge of Great Falls along the east shore of the Missouri River. The district contains more than 387 living units, occupies about 2 square miles and is home to more than 1100 persons. Within the district are 5 trailer courts and 8 old sub-divisions, all of which, prior to 2006, were served by individual wells and septic systems. One sub-division, the Pearson, had a common sewer system which emptied into an open sewage lagoon.

Over the years waste water discharged from these 387 living units into the ground at a rate of more than 90,000 gallons a day causing elevated nitrate and ammonia levels in water wells. The Pearson lagoon became badly overtaxed. The Montana Department of Environmental Quality ordered that the sewage lagoon be remedied as soon as possible and issued a cease and desist order. Two of the big trailer courts had problems with raw sewage surfacing on the ground. Individual residences, typically on small lots, had insufficient space between their septic fields and water wells, allowing sewage contamination to infiltrate the water wells. Cascade County issued an order barring new septic fields in the district. This created a freeze on all new building construction.

Our district was formed in 2001 to address these problems. We obtained more than \$1.8 million dollars in grants and after a first bond election failed we decided to proceed in phases. Our first phase was completed in 2006. This was funded by a \$500,000 TSEP grant, a \$100,000 DNRC grant, \$332,000 of City block grant money, and a \$900,000 STAG grant. Voters in the Phase 1 area approved a \$938,000 bond issue to complete our Phase 1 funding. These moneys were borrowed from the State Revolving Fund at a very low rate of interest which enabled us to provide both water and sewer service at a cost of approximately \$5,700 per living unit, which spread over a 30 year period, results in principal payments of

\$190 per year. We also received a \$500,000 county sponsored CDBG grant which provided funds to pay assessments for low and moderate income residents.

In 2008 we have completed construction of phase 2, funded again by a \$500,000 TSEP grant, a \$100,000 DNRC grant, and \$332,000 of City block grant money and an \$830,000 bond funded by SRF. We also received a \$450,000 county sponsored CDBG grant to assist low and moderate income persons with assessments and service line hookups.

We are now preparing to do Phase 3. We have been ranked for approval to receive a \$500,000 TSEP grant and have been ranked third for approval of a \$100,000 DNRC grant. The City has agreed to contribute an additional \$332,000 of its block grant funds to help the Phase 3 project. The Phase 3 project will bring public water and sewer service to 50 existing individual residences which will mean that we will then be serving more than 350 of the 387 living units which were in the District when this project began.

We have done a good job in bringing water and sewer service to a large area south of Great Falls which desperately needs clean water and adequate sewer service. Our project has been written up in two national publications and we hope to complete our mission with our phase 3 project. The TSEP \$500,000 grant is a vital component of the Phase 3 project and we ask that the committee recommend it for approval.